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Three Reforming Regimes?: Modernity and the Fiscal State in Modern Korean History

Holly Stephens

Introduction

For several years, questions of modernity and the emergence of modern Korea have driven a considerable body of research into modern Korean history. To some extent this is to be expected—what else should historians of modern Korea study if not Korea’s experience of the modern era, after all? This trend has not been without benefit, and the examination of Korean modernity has inspired numerous insights into new forms of government administration, evolving gender roles, literary production, religious practice, and the modernity embedded in new styles of urbanization, consumption, and medicine, to highlight just a few topics.¹ Yet, as several scholars have noted, insofar as modernity and the modern nature of Korean society have been adopted as normative concepts—generally used to refer to some combination of the rise of

¹ See, for example, Kyung Moon Hwang, *Rationalizing Korea: The Rise of the Modern State, 1894-1945* (Oakland: University of California Press, 2016); Theodore Jun Yoo, *The Politics of Gender in Colonial Korea: Education, Labor, and Health, 1910-1945* (Berkeley: University of California Press, 2008); Hyaeweol Choi, *Gender and Mission Encounters in Korea: New Women, Old Ways* (Berkeley: University of California Press, 2009); Nayoung Aimee Kwon, *Intimate Empire: Collaboration and Colonial Modernity in Korea and Japan* (Durham: Duke University Press, 2015); Albert L. Park, *Building a Heaven on Earth: Religion, Activism, and Protest in Japanese-occupied Korea* (Honolulu: University of Hawai’i Press, 2014); Jin Y. Park, ed., *Makers of Modern Korean Buddhism* (Albany: State University of New York Press, 2010); Todd A. Henry, *Assimilating Seoul: Japanese Rule and the Politics of Public Space in Colonial Korea, 1910-1945* (Berkeley: University of California Press, 2014); Laurel Kendall, ed., *Consuming Korean Tradition in Early and Late Modernity: Commodification, Tourism, and Performance* (Honolulu: University of Hawai’i Press, 2011); Theodore Jun Yoo, *It’s Madness: The Politics of Mental Health in Colonial Korea* (Oakland: University of California Press, 2016).

For reasons of space, I refer here only to works published in English within the last decade. This list is not intended to be exhaustive, nor should it be implied that this trend is limited to English-language scholarship. Indeed, the concepts of modernity and colonial modernity have proven similarly stimulating among Korean-language scholarship as well. For an overview of some of the discussion of modernity within South Korean scholarship, see Yun Haedong et al., eds., *Kūndae rŭl tasi ingnūnda* (Seoul: Yōksa pip’yōngsa, 2006), 30-148; Younghan Cho, “Colonial Modernity Matters? Debates on Colonial Past in South Korea,” *Cultural Studies* 26, no. 5 (2012): 645-669.

capitalism, nationalism, secularization, westernization, urbanization, and/or industrialization—the collective focus on modernity has arguably limited the scope of historical inquiry to topics that fit within chosen definitions of modernity.² Nonetheless, modernity continues to feature heavily even amid corrective accounts, as scholars have sought to expand either the temporal range of Korean modernity or its scope, either searching for earlier modern origins or broadening the discussion of modernity to include previously overlooked topics such as religion or reimagined agrarian traditions.³ While these efforts raise an important challenge to overly rigid interpretations of modernity, ultimately they do little to overturn the centrality of the modernization paradigm in historical analysis of the late nineteenth and early twentieth centuries in Korea.

Standard periodizations only compound the definitional problem of what counts as modern in Korean history. Too easily, the Chosŏn period is conflated with early modern traditions while Korean modernity appears as a break from the past, be it through the opening of ports to new patterns of diplomacy and trade, various attempts to reform the structure of the government in the 1880s and 1890s, or annexation by Japan. Even among explicit attempts to describe Chosŏn-era sprouts of economic change and modernization, the impact of western influences and colonization in the late nineteenth and early twentieth centuries is characterized as a break from what might have been, once again dividing Korea's experience of modernity from what came before.

² For critical interpretations of modernity in the recent historiography, see John B. Duncan, "The Confucian Context of Reform," in Kim Dong-no, John B. Duncan, and Kim Do-hyung, eds., *Reform and Modernity in the Taehan Empire* (Seoul: Jimoondang, 2006), 105-125; Park, *Building Heaven on Earth*, 4-9; Andrew Hall and Leighanne Yuh, "History of Education and Language in late Chosŏn and Colonial Era Korea: Guest Editors' Introduction," *Acta Koreana* 18, no. 2 (2015): 321-325; James B. Lewis, "Korea by 1860," in Michael Seth, ed., *Routledge Handbook of Modern Korean History* (New York: Routledge, 2016), 15, 16.

³ Kim, Duncan, and Kim, eds., *Reform and Modernity*; Park, *Building a Heaven on Earth*; Gi-Wook Shin, "Agrarianism: A Critique of Colonial Modernity in Korea," *Comparative Studies in Society and History* 41, no. 4 (1999): 784-804.

This paper presents an alternative conception of the nineteenth and twentieth centuries, one that explicitly aims to look beyond the category of “the modern” in order to bridge to the historiographical divide of late Chosŏn and colonial Korea. Of course, there is no denying that Korean ports did open in new ways after 1876, and that the government did take on new forms and roles, whether through domestic reforms or under Japanese colonial rule. Nonetheless, rather than treating these events as moments of modern origin this essay will consider government reforms within a longer perspective that attempts to account for the continuities that bridged 1876 and 1910. As part of the wider project of “Bridging Korea, Old and New,” this paper provides a framework to bring modern Korea into discussion and direct comparison with the history of earlier periods in order to spark fresh insights into both new and old.

In particular, I trace the development of institutions surrounding taxation through the nineteenth century until the end of colonial rule. While accounting for the changes to the tax system from one government to the next, I argue that the development of taxation was not the product of an overarching state rationality but depended upon the ability of the state to access information and negotiate among competing interests in accordance with the pre-existing social and economic context. Both access to information and the process of negotiation required tax institutions to develop in relation to existing practices, notably the practices of brokerage as explored in the previous article by John S. Lee; the administrative infrastructure of the state, local government, and non- or semi-governmental organizations; and the inherent limits of a central government budget. Viewed in this way, the evolution of taxation in Korea is more than the realization of a modern ideal—it defined interactions between the population and government, appealing to a wide array of norms as different governments confronted shared fiscal concerns.

Beyond Modernity in Korean History

Though not always couched in the language of modernity, the specter of “modern” development has long informed the historiography of Korea. Where some of the earliest colonial narratives denied the possibility of independent Korean modernization, later proponents of internal development theory explicitly emphasized what they saw as the sprouts of modern, capitalist development within the Chosŏn period.⁴ Meanwhile, in taking modernization as a proxy for the ability to maintain national independence, numerous accounts of the open-ports period debated the internal and external contributions to and detractions from a range of modernizing projects, from the Kabo Reforms, to the Independence Club, to the role of foreign advisors to the Korean government.⁵ Similarly, some of the earliest histories of the colonial period assessed Japanese colonial rule along a spectrum of exploitation and modernization, measuring the costs and benefits of the colonial legacy for either Korea or Japan. Linking all three debates is an underlying valorization of modernization, tied to the fate of the nation-state, as a feature of universal historical progress.

The adoption of modernity within historical analysis thus proved a valuable tool for scholars looking to question how Japanese imperial rule and the adoption of new forms of knowledge, technology, and culture mutually informed one another within the asymmetries of

⁴ For a concise overview of modernization and internal development historiography, see Yun Haedong, *Kūndae yŏksahak ūi hwanghon* (Seoul: Ch’aek kwa hamgge, 2010), 36-67.

⁵ For a summary of the reform and modernization projects of the open ports period and their subsequent analysis, see Kim Do-hyung, “Introduction: The Nature of Reform in the Taehan Empire,” in Kim, Duncan, and Kim, eds., *Reform and Modernity*, 1-34; Joshua Van Lieu, “The Nation, the People, and the Possibilities of the Post-National: Historiographies of Late-Nineteenth-Century Korean Reform Movements,” in Seth, ed., *Routledge Handbook*, 43-61.

colonial society. In contrast to earlier, mostly positive discussions of colonial modernization, Gi-Wook Shin and Michael Robinson's critical articulation of colonial modernity highlighted the ambiguity of "modern" developments during the colonial-era, be it through a legal code that simultaneously protected rights in one realm while denying them in another, or through new technologies that enhanced the scope of colonial rule even as they opened new cultural and economic avenues for some Koreans.⁶ Numerous studies of modernity followed, at their best probing the tensions and processes that underpinned the formation and reevaluation of knowledge and cultural norms in colonial Korea, providing an important critique to the supposedly universal nature of modernity itself.⁷ Arguments over the usage of colonial modernity have only further entrenched the concept within historiographies. Notably, scholars affiliated with the Naksŏngdae Economic Research Institute have come under criticism for reviving positive assessments of colonial modernization,⁸ while others have rejected the entire concept of colonial modernity, conflating its different interpretations as uniformly crediting the Japanese colonial rule for any modernization that occurred in Korea.⁹

In recent years a number of works have attempted to address these concerns, pushing back the boundary of modernity in Korean history to incorporate the Great Korean Empire period (1897-1910) and other late-Chosŏn reform movements. As Kyung Moon Hwang

⁶ Gi-Wook Shin and Michael Robinson, "Introduction: Rethinking Colonial Korea," in Gi-Wook Shin and Michael Robinson, eds., *Colonial Modernity in Korea* (Cambridge, Mass.: Harvard University Asia Center, 1999), 1-18.

⁷ See, for example, Jung Lee, "Mutual Transformation of Colonial and Imperial Botanizing? The Intimate Yet Remote Collaboration in Colonial Korea," *Science in Context* 29, no. 2 (2016): 179-211. Although Lee does not make explicit reference to colonial modernity, her article shares many of the same concerns articulated by Shin and Robinson.

⁸ Owen Miller, "The Idea of Stagnation in Korean Historiography: From Fukuda Tokuzō to the New Right," *Korean Histories* 2, no. 1 (2010): 3-12.

⁹ See, for example, Hong Yung Lee, "Introduction: A Critique of 'Colonial Modernity,'" in Lee, Ha and Sorenson, eds., *Colonial Rule and Social Change in Korea, 1910-1945* (Seattle: University of Washington Press, 2013), 12. This interpretation, it should be noted, is at odds with many of the ways that historians have utilized the concept of colonial modernity.

describes in the introduction to his study of modern state-making: “many of the major measures that are now commonly recognized as core projects of the colonial state—household registration reform, land reform, infrastructural projects, disease control measures, etc.—had forerunners in the precolonial and pre-protectorate period, and in fact state makers throughout this era drew largely from the same models of modern statecraft circulating around the globe.”¹⁰ No longer taking the colonial state as the progenitor of modern reform, Hwang thus brings colonial economic, education, and social policies into explicit conversation with similar projects beginning in the 1890s.

Once again, studies such as these have contributed much to our understanding of late nineteenth century Korea. While previous scholarship focused on Korea’s supposed failure to modernize, reading a fatalistic gloss over early attempts to popularize ideas of liberal democracy or to enact financial and political reform, new research highlights instead the vibrancy and variety of late nineteenth century reform projects while reinstating Korean agency within modernization attempts. In this vein, scholars have convincingly argued that precolonial reform projects were at minimum a meaningful intervention in modern Korean history, if not a basis for later formulations of modern nationalism, statecraft, and education, among others.¹¹

Nonetheless, insofar as the goal of much of this research has remained focused on questions of modernity, the scope of the scholarship has arguably remained limited. As Albert Park aptly notes in the introduction to his study of colonial-era religious activism, “studies of colonial modernity have configured modernity only as a linear form of development that

¹⁰ Hwang, *Rationalizing Korea*, 10, 11. For other examinations of pre-colonial modernity, see also Kim, Duncan, and Kim, eds., *Reform and Modernity*.

¹¹ Kim Do-hyung, “Introduction: The Nature of Reform in the Taehan Empire,” 1-34; Hwang, *Rationalizing Korea*; Andre Schmid, *Korea Between Empires, 1895-1919* (New York: Columbia University Press, 2002); Leighanne Yuh, “Moral Education, Modernization Imperatives, and the *People’s Elementary Reader* (1895): Accommodation in the Early History of Modern Education in Korea,” *Acta Koreana* 18, no. 2 (2015): 327-355.

emphasizes the secular, bourgeois/proletariat, urban spaces and industrial capitalism.”¹² In this regard, studies that attempt to find the pre-colonial origins of modernity in Korea share a similar focus on the development of print media, industrial reforms, the introduction of electricity, western-style education and other “modern” innovations. Park himself confronts the limitation of modernity-centered scholarship by expanding the definition of modernity to include rural and religious movements, however this approach can only go so far before running into new, albeit broader, limits of the definition of modernity or diluting the analytical value of modernity entirely.¹³

Several publications have highlighted the potential for research into the nineteenth and twentieth centuries to move beyond a focus on modernity. As explored by Kyung Moon Hwang, long-held Confucian concepts continued to inform enlightenment reformers’ ideas about the nature of the state (*kukka*) even as intellectuals debated new theories emerging from Japan, China, Germany, and beyond.¹⁴ Yumi Moon’s research into the *Ilchinhoe*—a populist group famous for their anti-monarch stance and collaboration with imperial Japan—shows in great detail how long-standing local grievances informed popular reactions to governmental reforms in the 1890s and 1900s.¹⁵ And several studies on late-Chosŏn foreign relations have re-examined the persistence of the Chosŏn-Qing tribute relationship, not as a traditional contrast to later “modern” diplomacy but as significant within its own terms, even as those terms were changing in the context of the nineteenth century.¹⁶ In each case, the modernity of reforms—be they in

¹² Park, *Building a Heaven on Earth*, 14.

¹³ Ibid., 14, 15. On the problems of modernity as an analytical device, see also Frederick Cooper, *Colonialism in Question: Theory, Knowledge, History* (Berkeley: University of California Press, 2005), 113-149.

¹⁴ Kyung Moon Hwang, “Country or State? Reconceptualizing *Kukka* in the Korean Enlightenment Period, 1896–1910,” *Korean Studies* 24 (2000): 1-24.

¹⁵ Yumi Moon, *Populist Collaborators: The Ilchinhoe and the Japanese Colonization of Korea, 1896-1910* (Ithaca: Cornell University Press, 2013).

¹⁶ Hara Takemichi, “Korea, China, and Western Barbarians: Diplomacy in Early Nineteenth-Century Korea,” *Modern Asian Studies* 32, No. 2 (1998): 389-430; Kirk Larsen, *Tradition, Treaties, and Trade: Qing Imperialism*

changing taxation and land rights, or the introduction of the telegraph and new forms of treaty commerce under Qing imperialism—did not necessarily define their impact on Korean society; instead, previous ideas and conflicts about tax collection, or the status of Chosŏn’s relationship to Qing imperialism, shaped responses to modernizing reforms just as much, if not more so, than did questions about the modern nature of the reforms themselves. While it is futile to dispute the growing influence of “modern” changes in the late-nineteenth century, it is also necessary to acknowledge the continuity of “non-modern” aspects as well.

These exceptions highlight the risks of limiting historical research to the exploration of the modern attributes of Korean society, through the elision and marginalization of significant research topics. While studies of the introduction of modern finance favor research into the development of the colonial banking system and the spread of financial associations (Ko. *kūmyung chohap*; Ja. *kin’yū kumiai*), this perspective overlooks the continuation of local community lending through *kye* organizations or the resurrection of seasonal grain loans (*sahwan*), albeit in a different form, in the 1930s.¹⁷ Research into the modern development of commerce and urban consumption likewise often fails to account for the persistence of periodic markets and their significant role within the rural economy.¹⁸ Meanwhile, studies of the colonial police and the emergence of a modern governmentality must also account for the persistent role

and Chosŏn Korea, 1850–1910 (Cambridge, Mass.: Harvard University Asia Center, 2008); Joshua Van Lieu, “The Politics of Condolence: Contested Representations of Tribute in Late Nineteenth-Century Chosŏn-Qing Relations,” *Journal of Korean Studies* 14, no. 1 (2009): 83–115; Joshua Van Lieu, “Chosŏn-Qing Tributary Discourse: Transgression, Restoration, and Textual Performativity,” *Cross-Currents: East Asian History and Culture Review* 27 (2018): 79–112.

¹⁷ Among the few studies of *kye* lending in the colonial period, see Kim Chaeho, “Nongch’on sahoe ūi sinyong kwa kye: 1853–1934,” in An Pyŏngjik and Yi Yŏnghun, eds., *Matjil ūi nongmindŭl: Han’guk kŭnse ch’ollak saenghwalŭsa* (Seoul: Ilchogak, 2001); Hong Sŏngch’an, “1920 nyŏndae ūi nongch’on chŏch’uk chohap yŏn’gu: Chŏnnam Posŏng-gun Tŭngnyang-myŏn ‘Songgok chŏch’uk chohap’ ūi unyŏng sarye,” *Tongbang hakchi* 137 (2007): 111–149. Hong’s article in particular stands out for analyzing community lending in relation to contemporary changes in the broader financial system.

¹⁸ On rural markets, see Hŏ Yŏngnan, *Ilche sigi changsi yŏn’gu* (Seoul: Yŏksa pip’yŏngsa, 2009); Hur Young-ran (Hŏ Yŏngnan), “Colonial Modernity and Rural Markets During the Japanese Colonial Period,” *International Journal of Korean History* 15, no. 2 (2010): 69–96.

of local elites and appeals to Confucian ethics in village-level politics.¹⁹ Where studies of modernity have been criticized for emphasizing an urban and elite culture that remained out of reach for much of the population,²⁰ research into topics that fall outside of the standard definition of modernity is a necessary counterpart to provide a balanced understanding of the boundaries and limitations of modern developments themselves—all the more so for research into the colonial period if historians are to avoid take the modernizing claims of the colonial government at face value.

Reperiodization and the Nineteenth Century in Modern Korean History

It is against this modernity-centered historiography that reperiodization presents an opportunity. Instead of drawing the boundaries of modern history according to a value-laden definition of what counts as “modern,” this article proposes to explicitly include a holistic view of the nineteenth century within analysis of “modern Korea.” This is not to search for ever earlier origins of “modern Korea,” but rather to frame discussion of the modern within a broader perspective. Increased attention to the nineteenth century and its legacies, modern or not, prompts a reckoning with alternative historical questions that can both increase knowledge of the nineteenth century itself and help to create new historical narratives capable of bridging the nineteenth and twentieth centuries.

The problem of periodizing the modern era is not limited to Korean history. Indeed, the adoption of colonial modernity within Korean history itself grew out of wider discussions of

¹⁹ See, for example, Chi Sugöl, “Ilcheha Ch’ungnam Sösan-gun üi ‘kwarryo-yuji chibae ch’eje’: ‘Sösan gunji’ (1927) e taehan punsök üi chungsim üro,” *Yöksa munje yön’gu* 3 (1999): 13-75.

²⁰ On this argument, see Chan Seung Park, “Japanese Rule and Colonial Dual Society,” *Korea Journal* 50, no. 4 (2010): 69-98.

colonial modernity and the problem of modernity in East Asia and beyond.²¹ Historians of India and colonial Africa likewise have grappled with the problem of how to frame modernity and the early modern period without reifying colonial ideas and institutions. While one response to the problem of modernity in history has been to challenge the definition of modernity and its related terminology (modernization, modernism, etc.),²² others have used reperiodization to provide an alternative perspective. Confronted with historiographical models that emphasize the division between early-modern and modern politics and society in Ottoman Egypt, Alan Mikhail proposes shifting the period of analysis to bridge the standard historiographical rupture. As he states: “Standing in the face of this purported separateness, the sources, histories, actors, processes, and ideas...plainly show this period to contain within it a great degree of continuity and connection across time.”²³ Closer to Korea, Daniel Botsman’s study of penal reform in the early Meiji period explicitly begins with a thorough examination of Tokugawa-era punishment practices in order to counter teleological narratives of modernity and progress. Viewed in a longer perspective, the establishment of a “modern” prison system emerges less an objective example of progress, as much as part of a set of Japanese claims to international civilizational standards that in turn would be used to legitimize imperial rule in Taiwan and Korea.²⁴

Several factors highlight the benefits of a longer view of the nineteenth century within accounts of modern Korea. For one thing, the nineteenth century witnessed shifts in several governmental and political norms, as well as the intensification of several social, economic, and

²¹ See, *positions: east asia cultures critique* 1 (1993); Tani E. Barlow, ed., *Formations of Colonial Modernity in East Asia* (Durham: Duke University Press, 1997).

²² Dipesh Chakrabarty, “The Muddle of the Modern,” *American Historical Review* 116, no. 3 (2011): 663-675; Cooper, *Colonialism in Question*, 113-149.

²³ Although Mikhail is challenging narratives that place 1800 as the turning point toward modern Egypt, his basic argument mirrors many of the problems identified in the Korean historiography. Alain Mikhail, *The Animal in Ottoman Egypt* (Oxford: Oxford University Press, 2014), 8.

²⁴ Daniel Botsman, *Punishment and Power in the Making of Modern Japan* (Princeton: Princeton University Press, 2005).

environmental problems that would occupy later reformers. This is by no means to say that Chosŏn Korea was on a path of inevitable decline throughout the nineteenth century; merely, that the politics and challenges of the nineteenth century are both distinctive from earlier periods and meaningful to later events. For example, following the reign of King Chŏngjo (1776—1800), royal authority passed to a series of kings whose young age and lack of experience provided fertile ground for the escalation of factional conflict and in-law politics, a pattern that continued even through to the reign of King Kojong (1864—1907). As far as royal in-laws and powerful lineages continued to influence Korean politics into the late nineteenth century, understanding their origin and evolution throughout the early half of the nineteenth century provides an important foundation against which to read later disputes.

Despite the significance of the events of 1876, Japanese warships were not Korea's first encounter with imperialism and Japan followed in the wake of English, French, Russian, and American incursions. Beyond direct encounters with foreign vessels, the Korean government was aware of the impact of western imperialism in China, knowledge of which helped to shape Korean responses to encroaching powers. Korea also experienced numerous rebellions and episodes of rural unrest through the nineteenth century that, though not directly connected to one another, nonetheless shared similar underlying factors, such as complaints over corruption among local government clerks, an increasing tax burden, the impact of expanding commerce, and problems in the state-managed grain loan system.²⁵ Not only would these problems feature as the target of many of the government's later reforms, but the politics surrounding these issues

²⁵ Sun Joo Kim, *Marginality and Subversion in Korea: the Hong Kyŏngnae Rebellion on 1812* (Seattle: University of Washington Press, 2007), 66-88; Sun Joo Kim, "Taxes, the Local Elite, and the Rural Populace in the Chinju Uprising of 1862," *Journal of Asian Studies* 66, no. 4 (2007): 993-1027. This is not to claim that the causes of the two rebellions were identical. Indeed, Sun Joo Kim is careful to note the importance of regional discrimination as a factor behind the Hong Kyŏngnae rebellion in addition to more general economic pressures.

continued to shape popular responses to new government proposals. As with political and diplomatic reforms, so too did the introduction of new forms of medicine, education, and finance have to compete with existing knowledge and practices, making a fuller understanding of the nineteenth century essential to understanding even the most modern attributes of Korean history.

Full and thorough attention to the project of reperiodization goes beyond merely emphasizing the prior context to newly adopted practices. When examining the changes that are often taken to characterize “modern” Korea, the question of who participated in modern changes remains an important consideration. Too often, the influence of the modern developments at the heart of much research can be seen to be concentrated among the wealthy, the educated, and the urban population. And yet, the modernizing ideas that so inspired urban intellectuals in the 1880s and 1890s were not shared among all Koreans. Indeed, the demands of the Tonghak rebellion reveal a far more mundane series of concerns that align more closely to the long development of nineteenth century social problems than they do engagement with modern ideas of democracy and nationalism.²⁶ Excessive focus on the modernity of intellectuals and government reform plans thus risks minimizing the experience of government for vast swathes of the population. Likewise, even if some women found new ways to challenge their social status through early contact with missionaries or the colonial education system, far more did not. Shifting the emphasis on what counts as modern in Korean history can thus be a powerful tool in writing overlooked voices into the historical record. To be fair, by virtue of their marginal status the

²⁶ This need not negate arguments about the later development of Ch’ŏndogyo as a modern religious movement. Rather, that both the early background of Tonghak must also be considered alongside its subsequent development. George Kallander, *Salvation through Dissent: Tonghak Heterodoxy and Early Modern Korea* (Honolulu: University of Hawai’i Press, 2013); Carl Young, *Eastern Learning and the Heavenly Way: The Tonghak and Ch’ŏndogyo Movements and the Twilight of Korean Independence* (Honolulu: University of Hawai’i Press, 2014).

voices of women and peasant farmers are not easy to uncover, but historians will definitely not find them if modernity is taken as the sole parameter for modern history.

Taxation and Fiscal Regimes in Longer Perspective

The remainder of this paper will focus on an attempt to put such reperiodization into practice through a study of taxation reform across three different fiscal regimes during the nineteenth and early twentieth centuries: the existing late-Chosŏn model; the re-organization of the fiscal state during the Kabo Reforms and Great Korean Empire period; and that of the colonial period.

While much of the following discussion covers events oft associated with narratives of modernity, the goal is not to contest existing knowledge as much as it is to place it within a longer frame that opens new opportunities for historical comparison.

Taxation is a useful target of inquiry here, as it forms a basis for interaction between both central and local government offices, as well as between the government and the population at large—topics already examined in the previous papers. What is more, taxation and the management of state finance have long been treated as a source of government weakness in the late nineteenth century, and were a target of modernization projects under both Korean and colonial governments alike. According to typical accounts that emphasize the development of a modern fiscal system, this period saw the gradual development of state and bureaucratic capacities that supported the rationalization of state finances and enhanced central government control over financial resources, both increasing revenue collection through taxation and removing sources of corruption endemic to the Chosŏn tax system. Topics such as the cadastral surveys feature prominently in this view, symbolizing both the increased technical capacity of

the state and its exercise of a “modern sense of authority.”²⁷ But, as I argue below, changes to taxation did not proceed smoothly along a continuum of modern rationality. A longer view of fiscal reform can thus be useful in highlighting recurrent challenges to the tax system as well as making clear the shifts in social relations engendered by tax reforms.

In moving away from a classification of the modern or traditional features of rival tax systems, I draw on recent comparative research into fiscal regimes that seeks to expand conventional accounts of state finance by examining the social relations that underpinned pivotal changes to taxation. By viewing taxation in relation to social change, and not just as an index of the development of a modern state or a capitalist economy, this research highlights the wide variety of fiscal arrangements to which states have turned at different times, exposing the myth of a single European norm and highlighting the heterogeneity among different fiscal regimes.²⁸ Viewed comparatively, the new studies of fiscal regimes show no common progression toward a universal model of a (modern) fiscal state. War, and its associated costs, sometimes provided the impetus to enact financial reforms, but at other times did not; public debt, the hallmark of the progressive model of the fiscal state, sometimes enhanced states’ access to financial resources,

²⁷ Hwang, *Rationalizing Korea*, 45, 50, 51. For accounts that cite financial weakness as a causal factor in the failure of modernizing reforms and, by extension, the eventual colonization of Korea, see Kim Dong-no, “The Failure of State Reform Movements in Early Modern Korea and its Relevance to the Mobilization of Resources,” in Chang Yun-Shik, Donald L. Baker, Hur Nam-lin, and Ross King, eds., *Korea between Tradition and Modernity: Selected Papers from the Fourth Pacific and Asian Conference on Korean Studies* (Vancouver: Institute of Asian Research, 2000), 172-183; Kim Dong-no, “Views of Modern Reforms as Depicted in the *Hwangsong sinmun* during the Taehan Empire,” in Kim, Duncan, and Kim, eds., *Reform and Modernity*, 60-67.

²⁸ Isaac William Martin, Ajay K. Mehrotra, and Monica Prasad, “The Thunder of History: The Origins and Development of the New Fiscal Sociology,” in Martin, Mehrotra and Prasad, eds., *The New Fiscal Sociology: Taxation in Comparative and Historical Perspective* (Cambridge: Cambridge University Press, 2009), 1-27. The emergence of the New Fiscal Sociology coincides with a general revival of interest in the fiscal state through publications such as Richard Bonney, ed., *The Rise of the Fiscal State in Europe c.1200-1815* (Oxford: Oxford University Press, 1999); Bartolomé Yun-Casalilla and Patrick K. O’Brien, eds., *The Rise of Fiscal States: A Global History, 1500-1914* (Cambridge: Cambridge University Press, 2012); Wenkai He, *Paths toward the Modern Fiscal State: England, Japan, and China* (Cambridge, Mass.: Harvard University Press, 2013); Andrew Monson and Walter Scheidel, eds., *Fiscal Regimes and the Political Economy of Premodern States* (Cambridge: Cambridge University Press, 2015). For one of the initial articulations of the fiscal state, see also Joseph Schumpeter, “The Crisis of the Tax State” (1918), in Richard Swedberg, ed., *Joseph A. Schumpeter: The Economics and Sociology of Capitalism* (Princeton: Princeton University Press, 1991), 99-140.

but at other times proved a political and economic liability.²⁹ Viewed across multiple historical examples similar policies may result in quite disparate outcomes, and forms of tax collection once categorized as “early modern” can be seen to be repurposed under certain conditions in the twenty-first century.³⁰ Thus separated from normative frameworks of development (be they political, economic, or both), the new studies of fiscal states focus attention instead toward the institutions and processes mobilized by states to financially sustain themselves.

In analyzing the transformation of taxation and government finance within Korea, I pay particular attention to two related challenges that the state had to manage in order to effectively gather revenue, namely the twin problems of *information* and *negotiation*. In order for any state to enact even the simplest of taxes, it must have an idea of the boundaries of the taxable jurisdiction, the unit of assessment (i.e., the village, the individual, or the household), and against which measure (i.e., in proportion to harvest or income, wealth, or unit of activity (per boat built, per boat sold, or per tree felled, for example)). The pursuit of such knowledge represents a constant endeavor on the government’s behalf, requiring the updating of relevant records in line with demographic and economic change, as well as some degree of monitoring to prevent fraud. As different governments in Korea attempted to raise money through novel forms of taxation, the need to secure adequate information would be a recurring challenge, requiring the active cultivation of sources of local knowledge.

Related to the problem of information is that of negotiation. Revenue extraction—by means of taxation or otherwise—necessarily involves aspects of negotiation, whether between

²⁹ He, *Paths Toward the Modern Fiscal State*, 24-50.

³⁰ Edgar Kiser and Audrey Sacks, “Improving Tax Administration in Contemporary African States: Lessons from History,” in Isaac William Martin, Ajay K. Mehrotra, and Monica Prasad, eds., *The New Fiscal Sociology: Taxation in Comparative and Historical Perspective* (Cambridge: Cambridge University Press, 2009), 183-200; He, *Paths toward the Modern Fiscal State*; Maria E. Mata, “From Pioneer Mercantile State To Ordinary Fiscal State: Portugal 16th-19th Centuries,” in Yun-Casalilla and O’Brien, eds., *The Rise of Fiscal States*, 215-232.

different departments within the same government, with non-state rivals who might challenge the state for the right to the same resources, or with citizens who might vote for or against certain taxes. Even under the most coercive regime a degree of bargaining between the taxpayer and the taxed can be observed, as in the guise of tax resistance or rebellions against undue predations. Negotiation may occur at the moment of payment, but might also be observed over access to the information that makes taxation possible. Thus, one of the common forms of tax avoidance during the Chosŏn dynasty can be seen in the misclassification of land or hidden fields (*ŭn'gyŏl*) or underreporting household size on the household register that served as the basis for certain forms of taxation. As successive regimes sought the information on which to base new taxes negotiations emerged on all sides—among those being taxed, and from within the government as it sought to justify its taxes and increase compliance.

Crisis and Reform Across Three Fiscal Regimes

In common with many early modern states, the finances of the Chosŏn government were divided between multiple offices and were not subject to the overview of a single finance ministry. By the nineteenth century, the Chosŏn dynasty had assembled a patchwork of financial claims and practices. Multiple offices within the government collected and disbursed discrete streams of revenue, including several classes of land tax payments measured against the area and grade of cultivated land, income from a regularized system of grain loans, government monopolies over the official ginseng trade, a military cloth tax assessed against commoner households, and myriad miscellaneous taxes levied on particular industries (such as fishing or salt production), as

well as additional contributions toward the running of local government offices.³¹ Complicating matters further, not all lands were taxed in the same way. Under the comparative quota system (*pich'ongje*) introduced in the mid-eighteenth century, the government adjusted the land tax burden in each region according to the harvest.³² What is more, a significant proportion of land fell into various categories of tax exemption (as much as 39 percent of the total assessed land in 1769).³³ Among the major categories of tax exemptions were land granted to various palaces, the military, and local government offices who received the rental income from fields in lieu of taxation.³⁴

Despite its complexities, the Chosŏn financial system proved remarkably stable over the years. Analysis by Kim Chaeho shows that between 1730 and 1864 the income of two of the most important tax-receiving offices—the Ministry of Taxation (*hojo*) and the Taedong Dispensary Office (*sŏnhyech'ŏng*)—remained largely stable, while expenditures of the two offices increased only toward the end of the same period with increased spending through the Ministry of Military Affairs (*pyŏngjo*).³⁵ Although not without some problems of corruption and inefficiency, the financial system was nevertheless sufficiently flexible to mobilize significant

³¹ Though different offices retained nominal control over each source of revenue, departments also transferred funds between one another complicating the situation further. For a thorough account of the Board of Taxation's competition over revenues within the central government, see Pak Soŭn, *Chosŏn hugi hojo chaejŏng chŏngch'aeksa* (Seoul: Hyeon, 2008). On payments between central and local government offices, see also Son Pyŏnggyu, "Chosŏn hugi kukka chaewŏn ūi chiyŏkjŏk punbae: 'Puyŏk silch'ong (賦役實總)' ūi sanghanap (上下納) semul ūl chungsim ūro," *Yŏksa wa hyŏnsil* 70 (2008): 57-87. In addition to the original land tax other taxes were gradually transmuted into land surtaxes over the years (such as the former tribute tax and a portion of the military cloth tax, under the *taedongbŏp* and *kyunyŏkbŏp* respectively) alongside the imposition of new taxes such as the *samsumi*. On the various reforms to taxes throughout the dynasty, see also James B. Palais, *Confucian Statecraft and Korean Institutions: Yu Hyŏngwŏn and the late Chosŏn Dynasty* (Seattle: University of Washington Press, 2004), 769-854.

³² For a concise overview of this system, see Son Pyŏnggyu, "Chosŏn hugi pich'ongjejŏk (比總制的) chaejŏng ch'egye ūi hyŏnsŏng kwa kŭ chŏngch'isŏng," *Yŏksa wa hyŏnsil* 81 (2011): 177-186.

³³ James Palais, *Politics and Policy in Traditional Korea* (Cambridge, Mass.: Harvard University Press, Council on East Asian Studies, 1975), 61.

³⁴ Kim Tŏkjin, "Chosŏn hugi kwandunjŏn ūi kyŏngyŏng kwa chibang chaejŏng," *Chosŏn sidaesa hakpo* 25 (2003): 83-115.

³⁵ Kim Chaeho, "Chosŏn hugi chungang chaejŏng ūi unyŏng: 'Yukjŏn chorye (六典條例)' ūi punsŏk ūl chungsim ūro," *Kyŏngjesahak* 43 (2007): 33, 34.

amounts of famine relief during the early nineteenth century.³⁶ Indeed, the Chosŏn fiscal system remained largely intact and without major systemic changes throughout most of the nineteenth century.

Rather than acute pressures from within the fiscal system, then, reforms to taxation emerged in response to sustained increases in government spending from the mid-nineteenth century onwards. Although previous rulers could certainly spend lavishly on individual projects, from the 1860s increased spending became a regular occurrence as the central government assumed a number of new financial commitments. Some of these expenditures were planned, while at other times circumstances forced the government's hand. Regardless of the origin, the government's adoption of greater financial burdens and their resolution through the institutionalization of new revenue streams drove the fiscal reforms of this period.

Within three years of taking the throne, Kojong and his father, the Taewŏn'gun, committed to three major expenses: the restoration of the Kyŏngbok palace from 1865, the recapitalization of the grain loan system between 1864 and 1866, and increased spending on military defense from 1866 onwards against incursions from France and the United States. In themselves, the projects were not especially revolutionary. The restoration of the Kyŏngbok palace, destroyed during the Hideyoshi invasions of 1590s, and the reform of the grain loan system were familiar concerns within the government. Previous rulers had also made plans to restore the Kyŏngbok palace, while a series of peasant rebellions against high fees and corruption within the grain loan system prompted discussion of its reform during the reign of King Ch'ŏlchong (r. 1849-1864).³⁷ Defending Korean borders against foreign intrusion also

³⁶ Anders Karlsson, "Famine Relief, Social Order, and State Performance in Late Chosŏn Korea," *Journal of Korean Studies* 12, no. 1 (2007): 113-141.

³⁷ Palais, *Politics and Policy*, 38, 39, 132-149.

followed established precedent, leading the government to reject several requests from countries seeking trade with Korea earlier in the nineteenth century. By 1866, however, the intensity of foreign advances increased to the point of military action when an American ship, the *General Sherman*, attempted to sail up the Taedong river. Later that year, a contingent of French military vessels attacked Korea in retaliation for the execution of French Catholic missionaries. Both incidents elicited a military response, with further disturbances in 1868 and 1871 only adding to expenses.³⁸

Although the precise amounts are unclear due to the absence of a single government budget, the combined expenditure on the three projects was considerable. Previous studies have estimated the cost of the Kyōngbok palace reconstruction at 15,000,000 *yang*, and the recapitalization of granaries at 1,800,000 *yang*.³⁹ The total military budget is unknown, but one recent study calculates a total of at least 593,287 *yang* worth of supplemental payments made to military and naval offices between 1865 and 1874, with further sums paid in the form of land grants and annual allowances of cloth and grain.⁴⁰ Given that the total income of the Board of Taxation was around 4,500,000 *yang* in 1864, the vast majority of which was consumed by existing spending, each of these projects represented a considerable expense beyond the ordinary financial commitments of the Chosŏn government.⁴¹

³⁸ Yŏn Kapsu, *Taewŏn 'gun chipkwŏn 'gi puguk kangbyŏng chŏngch'aek yŏn 'gu* (Seoul: Sŏul Taehakkyo Ch'ulp'anbu, 2001).

³⁹ Kikuchi Kenjō, *Kindai Chōsenshi* (Keijō: 1937), 84, 89; Palais, *Politics and Policy*, pp. 153, 154, 301 fn.113.

⁴⁰ Military offices received an additional 50 *p'il* of cloth per year, and 50,000 *sŏm* per year through a supplemental “artillery rice” tax (*p'oryangmi*). Yi Chaeūn and Yi Yŏnghŭi, “Kuhanmal kŭndaejŏk chibang chaejŏng chedo toip kwajŏng e kwanhan yŏn'gu,” *Han'guk chibangse yŏn'guwŏn chŏngch'aek yŏn'gu pogosŏ* no. 40, 2014, 35.

⁴¹ Data on 1864 finances is taken from the *Yukjŏn chorye*, as cited in Kim Chaeho, “Chosŏn hugi chungang chaejŏng ŭi unyŏng.” Following Kim's conversion methods, the estimate of 4.5 million *yang* converts payments in kind at the rate of 5 *yang* per 1 *sŏk* of rice.

The trend toward greater spending continued after Kojong came of age and resumed personal rule. In 1874, Kojong implemented a ban on the use of Qing cash within Korea, at a stroke removing an estimated three to four million *yang* from circulation and precipitating a financial crisis.⁴² From 1876, Korea's expanding diplomacy introduced a new realm of expenses as the government looked to strengthen the economy and military through spending on diplomacy, educational missions abroad and the importation of foreign technologies. During the 1880s, the Korean government invested in several study and diplomatic missions abroad, purchased machinery for a new mint and for a workshop to produce military equipment, established a maritime customs service with offices in each open port, telegraph communications linking Korea to China and Japan, and an experimental farm to investigate western agricultural methods and crops.⁴³

In later decades, government spending continued to increase as the goals of reform and modernization placed a heightened emphasis on technology, commerce, and education as an essential foundation for the new Korean state. Following the Kabo reforms and the establishment of the Great Korean Empire, projects begun in the 1880s—including updating the military and investing in electric power, the telegram, and agriculture—expanded through the 1890s and 1900s, while additional items such as a nationwide cadastral survey, reforms to weights and measures, and the construction of railways, streetcars, and schools added to government

⁴² Though technically forbidden, Qing cash had been circulating as de facto currency since the 1860s. Palais, *Politics and Policy*, 173, 220-25; Wŏn Yuhan, “Tangojŏn go,” *Yŏksa hakpo* 35-36 (1967): 316; Kim Sŏnghye, “Kojong ch'injŏng chikhu ch'ŏngjŏn kwallyŏn chŏngch'aek kwa kŭ t'ŭkching,” *Yŏksa yŏn'gu* 22 (2012): 169-202.

⁴³ Larsen, *Tradition, Treaties and Trade*, passim; Kim Yŏngjin and Hong Ŭnmi, “Nongmu mokch'uk sihŏmjang (農務牧畜試驗場 1884–1906) ŭi kigu pyŏndong kwa unyŏng,” *Nongŏpsa yŏn'gu* 5, no. 2 (2006): 71-85; Kim Yŏngjin and Kim Igyo, “Kaehwagi (開化期) Han'guk ŭi kumi (歐美) nongŏp kwahak kisul toip e kwanhan chonghap yŏn'gu,” *Nongŏpsa yŏn'gu* 10, no. 2 (2011): 1-25; Leighanne Yuh, “Guns, Farms, and Foreign Languages: The Introduction of Western Learning and the First Government Schools in Late Nineteenth-Century Korea,” *Paedagogica Historica* 52, no. 6 (2016): 580-95.

expenses.⁴⁴ Despite achieving a significant increase in tax collection under the newly reorganized government, figures from the national budget show that government spending outstripped tax income nearly every year from 1896 onwards as the government struggled to reconcile new sources of income with increased expenses (see Figure 1).

In this regard, the annexation of Korea by Japan brought no great change to the trend toward increasing government spending. During the protectorate period (1905-1910) and first decade of colonial rule, Japanese administrators maintained the goal of financial self-sufficiency and a balanced budget which they attempted to achieve through controlled government spending and tax reforms.⁴⁵ Although this would remain a goal throughout the period, from the 1920s onwards government spending increased markedly due to increased social spending associated with Cultural Rule and ambitious economic programs such as the Program to Increase Rice Production. Despite a series of tax reforms in the 1920s and 1930s that aimed to maximize revenues to match increased spending, financial self-sufficiency remained an elusive goal as increased spending continued into the 1930s, reaching a peak during wartime mobilization. Indeed, throughout the entirety of colonial rule, Korea relied upon grants and loans from Japan in order to balance its budget, with the combined ratio of public debt and supplemental funds not falling below ten percent of total annual government income, often reaching closer to fifteen or twenty percent.⁴⁶

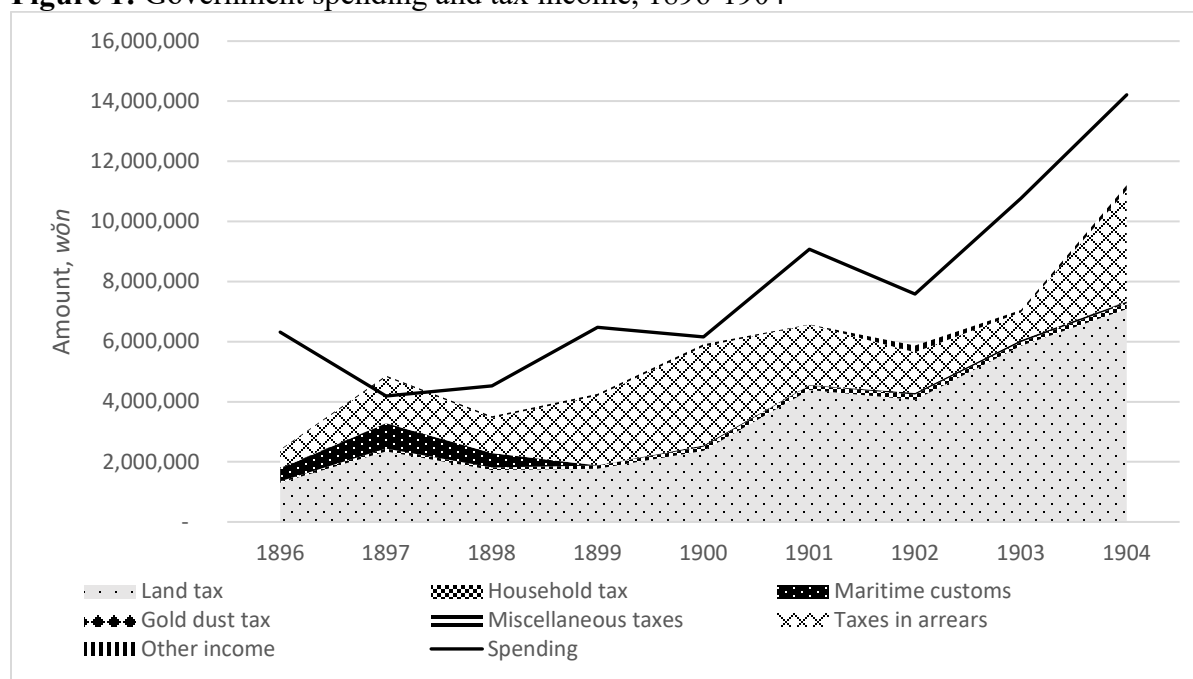
Overall, from the 1860s onwards, Korea underwent an extended period of increasing

⁴⁴ Jae-gon Cho, "The Industrial Promotion Policy and Commercial Structure of the Taehan Empire," in Kim, Duncan and Kim, eds., *Reform and Modernity*, 235-66; Kim Taejun, *Kojong sidae ūi kukka chaejŏng yŏn'gu* (Seoul: T'aehaksa, 2004); Hwang, *Rationalizing Korea*, 123-31.

⁴⁵ "Chōsen zaisei no dokuritsu keikaku," *Chōsen sōtokufu geppō* 4, no. 8 (1914): 1-3.

⁴⁶ Chōsen sōtokufu, *Chōsen sōtokufu tōkei nenpō* (multiple years); Mitsuhiro Kimura, "Public Finance in Korea under Japanese Rule: Deficit in the Colonial Account and Colonial Taxation," *Explorations in Economic History* 26 (1989): 185-310.

Figure 1: Government spending and tax income, 1896-1904



Source: “Kakse silip illamp’yo,” “seip silji subong’æk” as cited in Yi Sunsang, “Ilche e ūi han singminji chaejŏng ūi hyŏngsŏng kwajŏng: 1894-1910 nyŏn ūi seip kujo wa chingse kigu rŭl chungsim ūro,” *Han’guk saron* 14 (1986): 299. The heading “other income” refers to income from government-enterprises, including the publication of the kwanbo official gazette, the postal service, and the telegraph service. These figures do not include the income of the Royal Household or income from non-tax sources, such as loans or seignorage.

government spending. The causes of this were varied, from the costs of individual crises to the ongoing burden of costs associated with long-standing projects, such as the restoration of Kyŏngbok palace, and government investment in new technologies, such as the railroad. As far as existing forms of revenue proved insufficient to cover such increased expenses, each fiscal regime to be discussed held the potential for government innovation in the development of new sources of revenue and changes to taxation.

Reform within the Chosŏn state, 1864—1894

Faced with the costs of restoring the palace, recapitalizing the grain loan system, and increased spending on defense, the government adopted several strategies to secure new funds. Initially, the government attempted to raise funds through a variety of temporary, informal measures. In the reconstruction of the Kyōngbok palace, the government mobilized corvée labor and solicited voluntary donations (*wōnnap*), even transferring 100,000 *yang* from the Royal Treasury as an exemplar.⁴⁷ In total, James Palais estimates that voluntary contributions provided 7,728,693 *yang*—just over half of the estimated total costs of palace reconstruction—in addition to contributions of wood, rice, and white alum.⁴⁸ The government also transferred existing wealth in the initial payments toward the recapitalization of local granaries and increasing military expenses. In 1866, the royal household donated 300,000 *yang* to granaries after writing off bad grain loans and 80,000 *yang* to supplement the military budget.⁴⁹ Later, in a pinch after removing some three to four million *yang* worth of Qing cash from circulation, Kojong would again transfer existing sources of wealth to cover shortfalls in the central government’s reserves, this time drawing funds from the newly-recapitalized regional granaries.⁵⁰

The government also diverted or expanded existing patterns of taxation. The Ministry of Taxation claimed an increasing portion of the receipts from the official ginseng trade which it diverted toward military expenses.⁵¹ Between 1866 and 1870, the government removed exemptions on the military cloth tax, requiring formerly-exempt elite *yangban* households to pay

⁴⁷ *Kojong sillok*, 2.4.5 (1865); 2.4.8 (1865).

⁴⁸ Palais, *Politics and Policy*, 40. Of the total 7,728,693 *yang*, 450,913 *yang* were attributed to donations from the palace treasury and royal household, with 7,277,780 *yang* from individuals. The degree to which these voluntary donations were truly voluntary is questionable.

⁴⁹ Ibid., 153; *Kojong sillok*, 3.5.12 (1866); *Kojong sillok*, 3.8.1 (1866); *Kojong sillok*, 3.9.1 (1866).

⁵⁰ Palais, *Politics and Policy*, 220-225; Kim Sōngnye, “Kojong ch’injōng chikhu Ch’ōngjōn kwallyōn chōngch’aek”

⁵¹ Yi Ch’ōlsōng, “Taewōn’gun chipkwōn’gi p’osam muyōk chōngch’aek kwa haesang milmuyōk,” *Chosōn sidae hakpo* 35 (2005): 211. In 1866, for example, the taxes from 15,000 *kūn* of ginseng were diverted toward military expenses. At the official rate of 1 *yang* 5 *chōn* of silver per *kūn*, this would have provided a revenue of 30,000 *yang* in silver. Ibid., 209; *Kojong sillok*, 3.11.4 (1866).

the tax alongside commoners.⁵² A temporary surtax on the land tax raised an estimated 2,000,000 *yang* in 1868 toward the costs of the palace restoration, while the government removed land tax exemptions from private academies the same year.⁵³ The government also introduced new surtaxes, such as the *p'oryangmi*, or artillery rice, which garnered roughly 50,000 *sŏk* of rice per year.⁵⁴ A new miscellaneous “gate tax” (*tosŏng munse*) on persons entering Seoul further supplemented the funds for palace reconstruction. Though incomplete, records from two out of the total seven gates that levied the tax record an income of roughly 8,000 *yang* per year between 1869 and 1873.⁵⁵

New taxes on maritime trade also added to the central government’s income. In 1883, the government established a system for tariff collection and installed customs offices at each of the open ports under the authority of the newly-established Office for the General Control of Diplomatic and Commercial Matters (*t’ongni kyosŏp t’ongsang samu amun*, est. 1882).⁵⁶ The maritime customs service represented an important new stream of revenue for the government at a time when most other sources of taxation remained flat, if not decreasing slightly.⁵⁷ Moreover, unlike the existing taxes that were already earmarked for particular government departments, maritime customs were particularly suited to novel spending projects. Indeed, as early as 1879 Li Hongzhang advised the Korean government to establish a system for maritime customs as a

⁵² Palais, *Politics and Policy*, 105-107.

⁵³ Ibid, 40, 124, 125, 301 fn. 103; Ching Young Choe, *The Rule of the Taewŏn’gun, 1864-1873: Restoration in Yi Korea* (Cambridge, Mass.: East Asian Research Center, Harvard University, 1972), 36-38, 76.

⁵⁴ *Kojong sillok*, 8.5.25 (1871).

⁵⁵ Yŏn Kapsu, *Taewŏn’gun chipkwŏn’gi*, 218-221.

⁵⁶ On the diplomacy underlying the establishment of the maritime customs service, the negotiations with Japan over the establishment of trade tariffs and the role of China in supporting the new customs service, see Kim Kyŏngt’ae, “Kaechang chikhu ŭi kwansegwŏn hoebok munje: ‘Pusan haegwan suse sagŏn’ ŭl chungsim ŭro,” *Han’guksa yŏn’gu* 8 (1972): 693-723; *Kojong sillok*, 16.7.9 (1879); Larsen, *Tradition, Treaties and Trade*, 65-69, 103-42.

⁵⁷ Ibid, 146, fn. 60.

contribution toward national finances.⁵⁸ As well as the customs revenues themselves, the government was able to use future customs receipts as collateral for loans with foreign merchants, banks, and governments to further enhance revenues for spending on new projects (see Table 1). The government funded several of its investments in foreign technologies in this way, including the establishment of the customs service itself, study tours to Japan, and wages for foreign advisers working in areas such as schools, and a sericulture bureau, and mint, to name just a few.⁵⁹ By 1894, on the eve of the Kabo reforms, the government had made a significant number of foreign loans, mostly secured against future customs revenue. As can be seen from the uses of the loans shown in Table 1, whether used to repay previous loans, indemnity payments, or to fund investments in new technology, the loans mostly funded novel, discretionary government spending, rather than contributing toward the running of existing government offices, a fact also reflected in the administrative separation of the customs service from the Ministry of Taxation.

However, in terms of value raised, new currencies far outstripped all other sources of increased income. Early in 1867, in the space of just six months, the government minted an estimated 16 million *yang* of a new coin, the *tangbaekchŏn* (one hundred cash), of which 1.5 million *yang* was utilized to recapitalize the granaries with a further 180,400 *yang* transferred toward military expenses throughout the year.⁶⁰ Later the same year, the government also authorized the use of Qing cash within Korea, further boosting the money supply.⁶¹ Like the Taewŏn'gun before him, Kojong also minted a new currency—the *tangojŏn* (five cash)—

⁵⁸ *Kojong sillok* 16.7.9 (1879).

⁵⁹ Larsen, *Tradition, Treaties and Trade*, 144; Kim Chŏnggi, “Chosŏn chŏngbu ŭi Ch'ŏng ch'akwan toip (1882-1894),” *Han'guksaron* 3 (1976): 403-489; Kim Chŏnggi, “Chosŏn chŏngbu ŭi Tokil ch'akwan toip (1883-1894),” *Han'guksa yŏn'gu* 39 (1982): 85-120.

⁶⁰ Wŏn Yuhan, “Tangojŏn go,” *Yŏksa hakpo* 35-36 (1967): 315, 316; Palais, *Politics and Policy*, 154. The currency was withdrawn in 1868.

⁶¹ *Kojong sillok*, 4.6.3 (1867).

Table 1: Foreign loans to the Korean government, 1882-1894

Year	Amount	Lender	Collateral	Purpose of loan
1882	28,250 <i>yang</i>	Qing	Ginseng tax	Study mission to Tianjin
1882	2,999 <i>yang</i>	Qing		Construction of official residence in Tianjin
1882	120,500 <i>yen</i>	Yokohama Specie Bank		Indemnity payment (Treaty of Chemulp'o), study trip to Japan
1882	210,000 <i>yang</i>	Qing	Maritime customs	Establish maritime customs
1882-1883	3,540 <i>yang</i>	Qing	Ginseng tax	Purchase machinery, establish Machine Hall
1884	24,000 <i>yen</i>	First (Daiichi) Bank		Operation of maritime customs
1885	100,000 <i>yang</i>	Qing		Installation of overland telegraph
1886	20,000 pounds (112,280 dollars)	H.C.E. Meyer and Co.	Maritime customs	Indemnity payment, interest payment on Yokohama Specie Bank loan
1886	30,000 dollars	H.C.E. Meyer and Co.		Purchase of mint equipment
1886-1894	508,888 <i>yen</i>	First (Daiichi) Bank	Maritime customs	Wages of foreign advisers, repayment of loans (Qing, H.C.E. Meyer and Co.)
1887	44,490 dollars	H.C.E. Meyer and Co.		Purchase of telegraph equipment
1887	125,400 dollars	H.C.E. Meyer and Co.		Purchase of steamship
1887	1,487 dollars	H.C.E. Meyer and Co.		Wages for mint engineer
1887	2,000 <i>yang</i>	Qing		Expenses of Koreans in Tianjin
1892	2,800 <i>yang</i>	Qing		Repairs to Wönsan pier
1892	100,000 <i>yang</i>	Tong Shuntai (merchant)	Inch'ön maritime customs	Repayment of loans (H.C.E. Meyer and Co., indemnity payment loan)
1892	100,000 <i>yang</i>	Tong Shuntai (merchant)	Inch'ön, Pusan maritime customs	Repayment of loans (Townsend, National First Bank)
1893	35,000 <i>yang</i>	Qing		Indemnity payment re: prevention of grain exports (<i>panggongnyöng</i>)
1893	50,000 <i>yen</i>	HSBC		Construction, maritime customs expenses, indemnity payments

Source: Kim Chönggi, “Chosön chöngbu ūi Ch'öng ch'akwan,”; Kim Chönggi, “Chosön chöngbu ūi Tokil ch'akwan; Kim Sundök, “1876-1905 nyön kwanse chöngch'aek,”; Larsen, *Tradition Treaties and Trade*, 143.

Note: Due to a lack of inflation data for the period in question, it is difficult to convert all loans into *yang*. As a rough guide, as of 1892 the prevailing silver dollar to *yang* conversion rate appears to have been around 1.48 silver dollars per *yang*. See, Kim Sundök, “1876-1905 nyön kwanse chöngch'aek kwa kwanse ūi unyöng,” *Han'guksaron* 15 (1986): 322.

sending at least 620,000 *yang* of the currency to fund government offices between 1883 and 1884 alone. While the *tangbaekchŏn* and Qing cash were swiftly withdrawn from circulation over concerns for inflation and a lack of popular support for the coins, the government continued to produce the *tangojŏn* until 1894 when it was replaced with several new denominations. Because the *tangojŏn* was produced at multiple locations, and to varying quality, it is unclear how much was produced overall. But, based on the amount of metal imported for coin production, the volume appears to have increased over time. After importing an average of around 3,000 *tam* per year between 1885 and 1887, the amount of metal imported for currency production increased dramatically to an average of around 30,000 *tam* per year between 1888 and 1893.⁶² Like the *tangbaekchŏn* and Qing cash before it, the new currency swiftly proved inflationary and struggled to win public confidence as the quality of the coins declined over time. Nonetheless, and unlike previous experiments with new currencies, the government kept the *tangojŏn* in circulation until 1894, when it was replaced with several new denominations including the *paektonghwa* nickel coin.

In sum, attempts to increase government revenues during the early decades of Kojong's rule favored the cultivation of new income streams. Despite the Taewŏn'gun's expansion of the military cloth tax to *yangban* households, most new income raised came from one-off, informal measures or through the development of maritime customs, loans, and the seignorage from minting new currencies. Even the establishment of an administration to support the maritime customs office lay outside of the existing organization of major government offices, which continued to administer taxes and distribute revenues largely as before.

⁶² Wŏn Yuhan, "Tangojŏn go"; O Tuhwan, "Tangojŏn yŏn'gu," *Kyŏngje sahak* 6 (1983): 165-227. One *tam* 擔 is equivalent to roughly 50 kilograms.

Reforming the Chosŏn state, 1894—1905

The Kabo reform period of 1894–1896 introduced major changes to the organization of the Korean government. Under increased Japanese influence following the first Sino-Japanese War (1894–1895), pro-enlightenment officials gained the opportunity to enact a series of major reforms to the Korean government. Over several bursts of legislation, enlightenment reformers replaced the Six Boards with a cabinet-style structure which consolidated the work of the government within a new set of government ministries. The Kabo reforms ended in 1896 after Kojong fled from the Japan-sponsored court to the Russian legation, declaring a new regime, the Great Korean Empire, the following year. However, the basic state organization established during the Kabo reforms would remain in place throughout the Korean empire period.⁶³

Despite their ambitious plans to reshape the Korean government, the Kabo reforms did little to alleviate the financial pressures facing the government. On the contrary, securing and increasing tax revenues became an even greater concern following the Tonghak rebellion, which saw large numbers of peasants revolt in protest against a combination of high taxes, corruption among local government officials, and the increased presence of foreigners in the new treaty port regions. The Kabo reforms, begun in the middle of the rebellion, were thus forced to address popular concerns about the burden of high taxes all the while maintaining financial support for the government's investment in new technologies.

⁶³ For more detail on the progression of the Kabo reforms, see Kyung Moon Hwang, "Governmental Growth in the Taehan Empire Era: Origins of the Modern Korean State," in Kim, Duncan and Kim, eds., *Reform and Modernity*, 157-210; Wang Hyŏnjong, *Han'guk kŭndae kukka ūi hyŏnsŏng kwa Kabo kaehyŏk* (Seoul: Yŏksa pip'yŏngsa, 2003).

In order to achieve the three simultaneous goals of reducing the tax burden on peasants, reducing corruption among local officials, and increasing revenue for further investment, the government attempted to overhaul the entire tax system. The Kabo government replaced multiple layers of land taxes with a single payment per unit of land, with different tax grades depending on the type and quality of the land.⁶⁴ Further reforms abolished miscellaneous taxes and required taxes to be paid in cash rather than in kind.⁶⁵ Alongside the new tax codes, the government attempted to increase the amount of land subject to taxation by reclassifying formerly tax-exempt lands (such as post station lands or military fields (*tunjŏn*)), adding hidden fields to tax registers, and reassessing the quality (and therefore the tax rate) of taxable lands.⁶⁶

In combination, these measures were intended to equalize the tax burden, increasing total revenue while decreasing the individual burden, although this was not always achieved in practice. Tenants of formerly tax-exempt state-owned lands complained of dual taxation as they paid both rents and taxes to the government under the new system. Attempts to include hidden fields did not always succeed, and at times reassessment even provided the opportunity for new parcels of land to go missing from the official register. The practice of re-grading land taxes by the county, and collecting taxes by the township or village also led some farmers' taxes to rise disproportionately over those of their neighbors despite the lower, theoretically uniform, rate.

⁶⁴ Initially the taxes distinguished between mountain and coastal land, with five tax grades. Later changes introduced thirteen separate tax grades, ranging from 30 *yang* per *kyŏl* for the best land to 5 *yang* per *kyŏl* at the lowest end of the scale. Most land fell into the upper categories, with 76 percent of land assessed at 20 *yang* or higher, and 50 percent of all land taxed at the top rate. Wang Hyŏnjong, "Hanmal (1894-1904) chise chedo ūi kaehyŏk kwa sŏnggyŏk," *Han'guksa yŏn'gu* 77 (1992): 89-123.

⁶⁵ *Kojong sillok*, 31.7.10 (1894); 32.8.25 (1895).

⁶⁶ *Kojong sillok*, 31.9.17 (1894).

Nonetheless, the recalculation of taxable lands provided a modest increase in the tax base from 57 percent of total land in 1893 to 66.7 percent in 1896.⁶⁷

Beyond adjustments to the land tax itself, a further change to the financial system came in the restructuring of government offices. Within the central government, the Kabo reforms placed control of all government finances, including those of the Royal Household, under the new Ministry of Finance, the T'akji-amun (renamed the T'akjibu in 1895). For the first time, a single ministry oversaw the budgets of all other government departments and was tasked with the creation of national accounts. To do so, an accounting section (*hoegyegwa*) was established within each government ministry to prepare the ministry's budgets and correspond with the Ministry of Finance. A similar system was also planned for local government offices as part of a series of measures designed to separate local government offices from the direct handling of taxes, although this measure was never fully implemented.⁶⁸ Nonetheless, the Ministry of Finance greatly expanded its authority over local government finances through new controls over local government expenses and the elimination of miscellaneous taxes which local governments had previously relied upon to augment their revenue.⁶⁹

Overall, the financial reforms were partially successful in their attempt to raise tax income to meet government spending. The Ministry of Finance made a concerted effort to increase revenues from the land tax, surveying local offices on their income and expenses and

⁶⁷ On these points, see Sō T'aewōn, "Chosŏn hugi Ch'ungch'ōng-do P'yōngsin-dun ūi sŏlch'i wa kyōngyōng," *Kyujanggak* 37 (2010): 69-99; Yi Yōngho, "Hanmal~Ilche ch'o kūndaejōk t'oji soyukwōn ūi hwakjang kwa kukyu-minyu ūi pun'gi: Kyōnggi-do Ansan Sōkjang-dun (石場屯) ūi sarye," *Yōksa wa hyōnsil* (2010): 281-319; Yu Chōnghyōn, "1894-1904 nyōn chibang chaejōng chedo ūi kaehyōk kwa isōch'ūng tonghyang," *Chindan hakpo* 73 (1992): 63-119; Wang Hyōnjong, "Hanmal (1894-1904) chise chedo."

⁶⁸ "Ch'ingnyōng 56: Kwansesa kūp chingsesō kwanje," 1895.4.20; "Ch'ingnyōng 159: kwansesa kūp chingsesō kwanje pyōng kak'ūp pukwaseso changjōng chōngji kōn," 1895.10.22, *Kojong sidaesa 3-chip*, accessed via db.history.go.kr.

⁶⁹ "Ch'ingnyōng 36: Chibang jedo wa kwanje mit ponggūp kwa kyōngbi ūi kaejōng e kwanhan kōn," 1896.9.10, *Kojong sidaesa 4-chip*; Yu Chōnghyōn, "1894-1904 nyōn chibang chaejōng chedo."

later initiating a nationwide land survey to correct outdated land registers. Though the land survey remained incomplete, over time revenues did indeed increase, as shown in Figure 1. In the wake of the (partial) land survey, and after some adjustments to the tax rate, revenue from the land tax nearly tripled between 1900 and 1904. Despite this success, however, increases from taxation were not sufficient to support concurrent increases in expenditure leaving the government to find other supplemental sources of income.

As in earlier years, the minting of currency served as a significant source of additional revenue. In an attempt to control the inflation of earlier years, an 1894 ordinance on the issuance of new currencies introduced five new denominations fixed against a silver *yang*.⁷⁰ In practice, however, there were few controls on the issuance of coins and the government produced large volumes of one denomination in particular—the *paektonghwa* nickel coin. Between 1894 and 1904, the government produced nearly seventeen million *wŏn* worth of *paektonghwa* coins at a rate that closely corresponded to the gap between tax receipts and government spending during the same period. This helped to solve some of the government's immediate financial difficulties, but was not without consequence. As the mass production of the *paektonghwa* stoked inflation, the value of the taxes collected by the government decreased to as little as one-third of the original amount. In 1900, the government recalculated land taxes accordingly, raising the highest rate to 50 *yang*, although as a result of inflation even this revised figure represented a real decrease in the value of taxes.⁷¹

The government also continued to rely upon maritime customs as a supplement to other forms of taxation. Although the government continued to receive some revenue directly from maritime customs, over the years the value of future maritime customs as collateral for foreign

⁷⁰ “Sinsik hwap’ye palhaeng changjŏng,” August, 1894, reprinted in Ōkurashō, *Kahei hōki* (Tokyo: 1910), 117, 118.

⁷¹ *Kojong sillok*, 40.10.19 (1900); Wang Hyŏnjong, “Hanmal (1894-1904) chise chedo,” 117.

loans eclipsed customs receipts themselves as a direct source of revenue. Overall, between 1895 and 1905, foreign loans (most secured against maritime customs) provided the government with some eight million *yen* worth of additional funds toward spending on various reform projects, as shown in Table 2. Unlike earlier foreign loans, Japanese banks now dominated the supply of loans during the post-Kabo period reflecting the decline of Chinese influence and increase in Japanese influence in Korea following the Sino-Japanese war.

Thus, despite the reform of government offices and the institution of the land survey, several features of the tax system remained the same. Loans, customs receipts, and new currencies continued to form a significant portion of government income. Just as with the pre-Kabo government, a reliance on sources of income that lay outside of the main tax system stands in contrast to the conflict over resources that emerged within the government. Despite nominal control over all government finance, throughout the 1890s the Ministry of Finance lost access to several streams of revenue. Thanks in part to its prior administration as a separate office and also due to the immense authority granted to the chief commissioner of customs by the Imperial Household, Chief Customs Commissioner (*ch'ong semusa*) John MacLeavy Brown increasingly managed maritime customs revenues without reference to the Ministry of Finance.⁷²

Competition also emerged between the Ministry of Finance and the Office of Crown Property (*Naejangwŏn*, an office within the Palace Department (*kungnaebu*)), as the latter claimed authority over the rental income from government lands and newly reintroduced miscellaneous taxes. By 1905, estimates of the total income from such sources reached nearly 5

⁷² According to one critical assessment, MacLeavy Brown ran the maritime customs as if it were his own private institution. Kim Hyŏnsuk, *Kūndae Han'guk ūi sōyangin komun'gwandŭl* (Seoul: Han'guk yŏn'guwŏn, 2008), 300-305.

Table 2: Foreign loans to the Korean government, 1895-1905

Year	Amount (<i>yen</i>)	Lender	Collateral	Purpose of loan
1895	130,000	First (Daiichi) Bank	Inch'ŏn customs receipts	Salaries
1895	3,000,000	Bank of Japan	Taxes, maritime customs	Government reform
1900	300,000	First (Daiichi) Bank	Ginseng monopoly	Palace expansion expenses
1901-1905	1,220,000	First (Daiichi) Bank	Taxes, <i>paektonghwa</i>	Payment for military supplies and other expenses
1902-1904	250,000	First (Daiichi) Bank	Income from Office of Weights and Measures (<i>P'yŏngsikwŏn</i>)	Improving weights and measures
1905	3,000,000	First (Daiichi) Bank	Maritime customs	Currency reform
1905	150,000	Bank of Japan		Emergency relief re: financial crisis

Source: Data from Kim Sundŏk, “1876-1905 nyŏn kwanse chŏngch'aek”; Yu Wŏndong, “Hanmal Ilbon ũi ch'agwan kongse wa kwangsan chŏpkŭn e kwan han yŏn'gu,” *Kuksa kwannon ch'ong* 20 (1990): 141-74.

million *wŏn*, an amount equivalent to roughly two-thirds of the total land tax receipts.⁷³ Conflict within the government was also matched with conflict in local areas at the site of collection, as the Office of Crown Property dispatched its own tax assessors and collectors rather than rely upon existing local government offices. Although this period saw the institutionalization of several new practices in taxation, institutionalization proceeded along several lines, with competition among the different government offices determining the degree of financial centralization.

Reform Under Empire, 1905—1945

⁷³ Ibid.; “Chohoe il-ho,” *Hullyŏng chonan*, 1900.1.4; Pak Sŏngjun, “Taehan chegukki haese kwanhalgwŏn ũl tullŏssan kaldŭng kwa naejangwŏn ũi haese kwanhalgwŏn changak,” *Han'guksa hakbo* 26 (2007): 245-284; Pak Sŏngjun, “1894-1910 nyŏn haese chedo ũi pyŏnhwa wa seje chŏngbi ũi panghyang,” *Han'guksa yŏn'gu* 128 (2005): 219-256; Moon, *Populist Collaborators*, 167-170; Kankoku seifu zaimu komonbu, *Kankoku zaisei seiri hōkoku*, vol. 1 (Keijō: 1905), 4.5.

As Japanese influence in Korea increased in the wake of the Russo-Japanese War (1904-1905) and according to the provisions of the Anglo-Japanese alliance and Taft-Katsura agreement, the Japanese government appointed advisors to the Korean cabinet to oversee major government decisions. At the Ministry of Finance, Megata Tanetarō (1853-1926) introduced a wide-ranging series of reforms which introduced many aspects of the colonial fiscal system. In terms of structural organization, Megata reestablished the Ministry of Finance as the sole financial authority within the central government, reverting income from miscellaneous taxes, government lands, and government monopolies (such as that on ginseng), to the Ministry by 1908.⁷⁴ Megata also oversaw the establishment of the First Bank (*Daiichi ginkō*) as the de facto central bank for Korea in 1904, a change that became permanent in 1911 when the bank was rechristened the Bank of Chōsen.⁷⁵ Following a currency reform that removed the inflationary *paektonghwa* coins from circulation, the new central bank assumed responsibility for currency issuance based on a yen-standard thus limiting the government's ability to mint currency as a ready source of income.⁷⁶

Alongside administrative reforms, the protectorate administration also sought to increase revenues, placing a renewed emphasis on increasing tax receipts. In his position as financial advisor, Megata planned a cadastral survey (implemented after annexation, between 1910 and 1918) to replace and complete the earlier surveys begun under the Great Korean Empire government. Once completed, the new cadasters would provide the colonial government with accurate information on the amount of taxable land, enhancing its ability to collect taxes and

⁷⁴ Pak Sōngjun, *Taehan chegukki kongmunsō yōn'gu* (Seoul: Amorūmundi, 2015), 20.

⁷⁵ "Kokkokin toriatsukai ni kansuru keiyakusho," in *Kankoku zaisei seiri hōkoku*, vol. 1, 2.9-2.13. For more details on the legal transition to the Bank of Chōsen, see Howard Kahm "Colonial Finance: Daiichi Bank and the Bank of Chōsen in Late Nineteenth and Early Twentieth Century Korea, Japan, and Manchuria," Ph.D. dissertation, UCLA, Department of Asian Languages and Cultures, 2012, 73-91.

⁷⁶ Michael Schiltz, *The Money Doctors from Japan: Finance, Imperialism, and the Building of the Yen Bloc, 1895-1937* (Cambridge, Mass.: Harvard University Asia Center, 2012), chapter 2.

institute a land tax based on the market value of land rather than a broad assessment of its quality.⁷⁷ The land tax and the cadaster were just the start, however, and throughout the colonial period the government introduced numerous new taxes in pursuit of financial independence (see Figure 2).

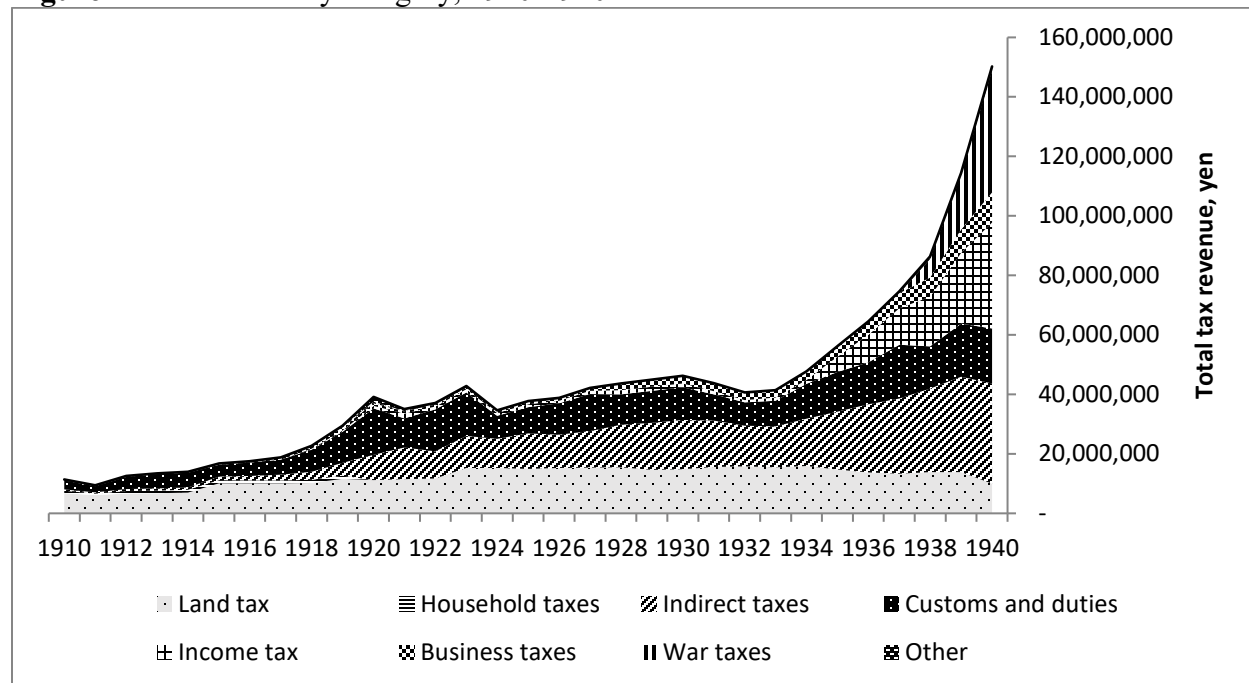
Until the completion of the land survey, however, the colonial government was limited in its ability to reform taxes. Early iterations of the land tax law explicitly stated that former customs would continue to apply regarding the calculation and application of tax rates.⁷⁸ Existing norms continued to apply not only to the collection and assessment of the land tax, but also in regard to its weight within the overall tax system. Despite the introduction of taxes on alcohol and tobacco, the land tax served as the single largest source of tax revenue, providing over 50 percent of total tax receipts until 1916.

Following the completion of the cadastral survey, the absolute revenue of the land tax increased from a previous plateau of around ten million *yen* per year to level around fifteen million *yen* per year until 1934. Despite this increase, the proportion of the tax revenue due to the land tax decreased to roughly one-third of total tax income as the proportion of revenue from other tax sources increased, namely the alcohol tax, which steadily increased from around five percent of total revenue in 1918 to nearly thirty percent by 1928, and tariffs, which provided an average of twenty-five percent of total tax revenues between 1919 and 1934. In this way, taxation through the 1920s and early 1930s was characterized by the expansion of indirect taxes on consumption, through the alcohol tax as well as a new tax on sugar.

⁷⁷ “Chizeirei shikō kisoku,” *Chōsen sōtokufu kanpō*, July 17, 1918; David Fedman, “Triangulating Chōsen: Maps, Mapmaking, and the Land Survey in Colonial Korea,” *Cross-Currents: East Asian History and Culture Review* 1 (2012): 205-234.

⁷⁸ Article 4, Chizei rei, March 16, 1914.

Figure 2: Tax income by category, 1910-1940



Source: *Chōsen sōtokufu tōkei nenpō*, multiple years.

Note: These figures are not adjusted for inflation. Thus, the relative proportion of sources of revenue is of more significance than the absolute *yen* values.

As government spending increased from the 1920s onwards, the colonial government's priority on controlling spending shifted toward an effort to increase revenues. While indirect taxes on consumption comprised a significant element in increased tax revenues in the 1920s, officials nonetheless began to express dissatisfaction with the unequal weighting and piecemeal structure of the tax system, the lack of elasticity among the existing taxes, and the Government General's ongoing inability to cover its spending through tax revenues.⁷⁹ A series of committees on public finances thus advocated reforms to the tax system and the introduction of several new taxes, in particular the personal income tax.⁸⁰ As well as raising revenue and increasing responsiveness to prevailing economic conditions, the personal income tax was also hoped to

⁷⁹ Chōsen sōtokufu zaimukyoku, *Chōsen ni okeru zeisei seiri keika gaiyō* (Keijō: 1935). 35.

⁸⁰ Ibid.

bring the structure of Korean taxes more in line with those of Japan, where the income tax provided around twenty to thirty percent of total tax revenues throughout the early 1920s. After its introduction in 1934, the personal income tax gradually increased its share of total tax revenues, reaching around twenty percent by the end of the decade. By this time, however, the effects of wartime mobilization extended to the tax system, and myriad additional surtaxes and indirect taxes led to a dramatic increase in total revenues, as shown in Figure 2.

Nevertheless, increasing taxation only formed one part of the colonial government's fiscal policies as it attempted to achieve "financial independence" (*zaisei no dokuritsu*) from Japan. A 1914 report forecast the achievement of financial independence within five years through a combination of economic growth, new taxes, and economies in government spending. As much as adjustments to tax rates and the new taxes on tobacco and alcohol were expected to contribute toward this goal, efforts to decrease spending within the central government also played a significant role in the plan. Colonial officials boasted of reducing administration costs by 2,350,000 yen in 1913, equivalent to nearly 17 percent of total tax revenue that same year.⁸¹

The colonial government's dramatic reductions in administration costs may appear impressive, but the headline figures belie one important aspect of colonial period government spending; in order to balance its desire for austerity with the need to support colonial policies, the central government increasingly transferred spending liabilities from the treasury to local governments and other semi-governmental organizations whose finances were not included on the central budget. Although the central government supported local government expenses to some degree, local governments also drew income from surtaxes charged in addition to the national taxes. The impact of this was not inconsequential. To draw an example from agriculture,

⁸¹ "Chōsen zaisei no dokuritsu keikaku," 1-3.

one of the early targets of colonial economic policies, local government spending on agriculture surpassed that of the central government as early as 1913, reaching as much as 70 percent of all government spending on agriculture by 1918.⁸²

The creation of industry-specific, semi-governmental organizations whose activities closely followed government policy yet drew much of their funding from (sometimes compulsory) membership dues and service fees provided yet another means for the government to further minimize the financial liability of funding colonial policies. Thus, when the government funded the Program to Increase Rice Production in the 1920s, it did so through a series of loans, channeled through the irrigation associations (Ko. *suri chohap*; Ja. *suiri kumiai*), financial associations, Industrial Bank of Chōsen, and Oriental Development Company. In this way, the final liability for much of the huge investment in irrigation infrastructure rested with individual farmers and association members, contributing toward the rise of rural indebtedness in the 1920s and 1930s as farmers found themselves unable to repay the debts.⁸³ This pattern of reassigning spending from the central to the local government was repeated across multiple sectors, from infrastructure, to hygiene campaigns and spending on education.⁸⁴

Information and Negotiation in the Process of Reform

The above summaries reveal some obvious differences between the fiscal structure and policies of the three regimes under analysis. Under the late-Chosŏn fiscal regime, the government

⁸² Kobayakawa Kurō, *Chōsen nōgyō hattatsushi*, seisaku hen (Keijō: Chōsen nōkai, 1944), 24-27.

⁸³ See, U Taehyōng, “Ilcheha Man’gyōng-gang yuyōk suri chohap yŏn’gu,” in Hong Sōngch’an, et al. eds., *Ilcheha Man’gyōng-gang yuyōk ūi sahoesa: suro chohap, chijuje, chiyōk chōngch’i* (Seoul: Hyeon, 2006), 27-64.

⁸⁴ Seong-cheol Oh and Ki-seok Kim, “Expansion of Elementary Schooling under Colonialism: Top Down or Bottom Up?,” in Lee, Ha and Sorenson, eds., *Colonial Rule and Social Change*, 114-139; Hwang, *Rationalizing Korea*, 60-66.

struggled to create long-lasting increases in revenue. Many policies were directed instead toward supplementary finance through ad hoc measures, through the imposition of special taxes or soliciting “voluntary contributions.” Even when long-run policies were successfully implemented, as in the extension of the military cloth tax to all households in 1870, this proceeded under the existing system of state finances which allowed individual offices to calculate and manage their own finances. In such a system, securing new streams of revenue, such as customs duties, loans, or the seignorage from currency production, presented an important source of income to a government looking to increase and direct spending in new ways.

The establishment of a single Ministry of Finance during the Kobo reforms represented a change to the structure of state finances. For the first time, a single financial office within the central government was able to manipulate the budget of other departments in the name of national fiscal policies. However, the central position of the Ministry of Finance was quickly challenged by the maritime customs office and the Palace Department which siphoned revenue streams away from the Ministry’s authority. Although the colonial government reestablished the control of the Ministry of Finance over central government revenues, the central government’s desire to minimize its own spending encouraged the growth of alternative spheres of government finance in local government and semi-governmental organizations. Though not fully independent of the central government, finances in local government and semi-governmental organizations nonetheless emerged as an alternative source for conflict and negotiation within colonial local society, just as conflicts over tax collection were expressed through local government officials and rival tax collectors before colonial rule.

Each fiscal regime also found itself reliant on external sources of funds as it confronted certain limitations in its ability to raise funds. While the government avoided the wholesale reorganization of taxes during the first period of reform, even frequently touted “modern” measures such as the cadastral survey had a limited ability to raise the income of the land tax indefinitely. Thus, cultivating new sources of revenue remained an important task for each government, be it through minting new currencies, the development of miscellaneous taxes, a reliance on loans and grants from Japan, or the creation of new local surtaxes. In each case, the benefits of such external sources of funds lay partially in the lack (or at least a lesser degree) of conflict over the management of preexisting resources, be it with Koreans who resented paying higher taxes, or among government departments competing over the same funds.

Where the governments did seek to develop new taxes, each confronted the problems of negotiation and information in different arenas. When the Taewŏn’gun attempted to increase revenues, he did so within a government reliant on the politics of brokerage. As discussed in the preceding paper, the Chosŏn state relied heavily upon individual officers and brokers to achieve its goals. State capacity frequently rested upon brokers, individuals recognized by the state to perform key tasks, be it gathering voluntary contributions, taxes, or maintaining order in remote offices. In line with such a context, the Taewŏn’gun’s efforts to raise funds followed several norms of the brokered state. The voluntary contributions that formed a major element in the fundraising for the Kyŏngbok palace reconstruction were often rewarded with the granting of a rank or title.⁸⁵ Although in practice this may not have prevented coercion, the use of voluntary contributions appealed to principles familiar to other brokered transactions.

⁸⁵ Palais, *Politics and Policy*, 39.

Within such a system, formal institutions supporting information and the enforcement of government policy could be inconsistent. In order to maximize the revenues from the ginseng monopoly available to the central government, the Taewŏn'gun not only issued orders concerning the handling of the ginseng revenues but also dispatched officials to ensure the smooth implementation of his policies. As noted at the time, the careful selection of new officials was an important measure in minimizing abuses and increasing the amount remitted to the government in Seoul.⁸⁶ In the introduction of the *tangbaekchŏn* as well, the Taewŏn'gun relied upon secret censors (*amhaeng ŏsa*) to travel the country and enforce rulings that taxes be paid in the new currency.⁸⁷ Contrary to one prominent opinion on the Taewŏn'gun's implementation of the *tangbaekchŏn* stating that "his faith in the efficacy of royal command was unbounded," the Taewŏn'gun's use of secret censors arguably reveals the bounds of the central government's institutional reach.⁸⁸ Among both the population in general and local offices receiving taxes, the government could not always expect compliance with official policies without the additional oversight provided by the censors.

Attempts to regularize tax collection within a centralized system under the Kabo reforms confronted this system, but did not necessarily overcome it. As part of the process establishing the Ministry of Finance, initial reform proposals transferred significant functions of tax collection from local governments to an independent system of tax offices. As planned, these offices would assign the task of assessing and collecting taxes to a parallel administrative system. Local clerks would be selected to assist with land registration and fielding questions over

⁸⁶ Yi Ch'ŏlsŏng, "Taewŏn'gun chipkwŏn'gi p'osam," 209, 210.

⁸⁷ *Kojong sillok* 5.2.30 (1868).

⁸⁸ Palais, *Politics and Policy*, 173.

taxes, but would be formally prevented from having anything to do with the actual collection of taxes.⁸⁹

Ultimately, these reforms were not implemented in the face of bureaucratic difficulties and opposition from existing tax collectors within the local government. A later edict reversed the initial reforms, and confirming local magistrates' (*kunsu*) position at the heart of tax assessment and collection.⁹⁰ The Ministry of Finance still gained some oversight over local governments' financial affairs, as the regulations that restored tax collection to local magistrates also granted the Ministry of Finance the right to appoint collectors within the local administration (following prior endorsement from the magistrates), to control levels of taxation, and to otherwise manage the activities of tax collectors.⁹¹ The Ministry of Finance also exercised its authority over local government offices to limit spending as part of its efforts to increase the proportion of taxes available to the central government.⁹² But, when it came to the management of information over taxes, their assessment and collection, the Ministry entered into something of a trade-off with the local governments who were both the target and necessary ally of reform efforts.

For all the attempts to reform the fiscal system through the Kabo reform and Great Korean Empire era, the Ministry of Finance faced several serious limitations. To increase revenues from the land tax required the ministry to have accurate knowledge of land conditions. To that end, the central government initiated a cadastral survey in 1898 that is frequently credited with increasing tax revenues and providing the government requisite information over

⁸⁹ “Ch’ingnyŏng 56: Kwansesa kŭp chingsesŏ kwanje,” 1895.3.26, *Kojong sidaesa 3-chip*; “Ch’ingnyŏng 74: Kak ŭp puseso changjŏng,” 1895.4.5, *Kojong sidaesa 3-chip*.

⁹⁰ “Ch’ingnyŏng 162: Kakkun semu changjŏng,” 1896.9.5, *Kojong sidaesa 3-chip*; Wang, “Hanmal (1894-1904) chise chedo,” 96.

⁹¹ “Ch’ingnyŏng 162: Kakkun semu changjŏng”

⁹² Yu Chŏnghyŏn, “1894-1904 nyŏn chibang chaejŏng chedo.”

landownership.⁹³ In other areas, however, the Ministry of Finance struggled to gain information and authority over sources of taxation. The administrative structures that consolidated the management of maritime customs under a single office that once helped streamline customs receipts as a ready source of spending on government projects proved a liability in later years. The immense authority granted to the chief commissioner of customs granted MacLeavy Brown the opportunity to ignore requests from the Ministry of Finance for information and funds from the maritime customs.⁹⁴ Similarly, when the Imperial Household challenged the Ministry's right to collect certain revenues, the dispute extended beyond the central bureaucracy into the local level; rather than rely on local government offices to act on its behalf, the Office of Crown Property directly dispatched its own tax assessors and collectors.⁹⁵

The colonial effort to reform the Korean tax system followed similar patterns to those initiated in the Kabo reforms. In particular, parallels are often drawn between the cadastral surveys conducted by the Great Korean Empire and the colonial government. Especially in the latter case, many scholars have cited the cadastral surveys as evidence of the state's modernizing agenda that aimed to use scientific methods to rationalize administration and governance within Korea.⁹⁶ Yet, even granting the technological innovations that the colonial cadastral survey represented beyond the Kwangmu survey, the colonial government itself was acutely aware that effective governance in practice relied upon a much more complex system of administrative methods. Just as the preceding governments, the colonial government could only collect taxes by working through local government offices.

⁹³ Wang, "Hanmal (1894-1904) chise chedo"; Cho Sökkon, *Han'guk kŭndae t'oji chedo ŭi hyöngsöng* (Seoul: Haenam, 2003); Hwang, *Rationalizing Korea*, 38-41.

⁹⁴ Kim Hyönsuk, *Kŭndae Han'guk ŭi söyangin*, 300-305.

⁹⁵ Moon, *Populist Collaborators*, 162-193.

⁹⁶ Hwang, *Rationalizing Korea*; Wang, "Hanmal (1894-1904) chise chedo"; Fedman, "Traiangulating Chōsen"; Cho Sökkon, *Han'guk kŭndae t'oji chedo*.

To that end, and in common with the planned Kabo reforms, the long-term goal of colonial tax reform required the establishment of an independent system of tax supervisory offices. Originally planned under Megata Tanetarō's 1906 reforms, a separate body of tax collection offices was not introduced until 1934, on the introduction of the personal income tax. Until that point, and even afterwards in the management of some taxes, taxes continued to be handled through the local administrative system, through the unit of the township (*myŏn*).⁹⁷

From a relatively minor role in the Chosŏn administrative system, the township therefore came to fulfil an important position in the composition of the colonial state. As with the new tax system instituted during the protectorate period many of the colonial government's early policies assumed the township as a basic administrative unit, eventually formalizing the new form and functions of the townships through the township system announced in 1917.⁹⁸ In this new role, the selection of township heads (*myŏnjang*) received greater scrutiny than in previous years. On the one hand, the colonial government actively sought township heads who would be capable of fulfilling the bureaucratic work of the newly reinvented office. At the same time, however, the colonial government equally recruited township heads on the basis of their local authority in age and morals. As far as the township heads occupied a key position at the lowest level of the colonial bureaucracy, the abilities of the township heads selected in this manner also served to hamper the colonial government's technocratic ambitions.⁹⁹

This was not at odds with other aspects of colonial administration. Despite the technical achievement of the cadastral survey, several aspects of tax collection continued to draw upon

⁹⁷ Chōsen sōtokufu, *Chōsen sōtokufu shisei nenpō*, 1908.

⁹⁸ In this way, the township subsumed many of the important functions of the county (*kun*), weakening the administrative power of the counties. "Mensei," *Chōsen sōtokufu kanpō*, 1917.6.9; Yun Haedong, *Chibae wa chach'i* (Seoul: Yōksa pip'yōngsa, 2006).

⁹⁹ Ibid., 135-154; Yun Haedong, "Ilche sigi myŏnje silsi wa kŭndaejōk kwallryo-haengjōng jedo ūi doip," *Han'guksa hakbo* 24 (2006): 243-287.

alternative practices that lay outside of the formal rationality of the bureaucracy. Throughout colonial rule, myriad village organizations blended familiar customs and practices with the ambitions of colonial administration, bringing the government's tax policies well beyond the formal boundaries of government offices. From the 1920s onwards, the colonial government encouraged the formation of local promotion societies (Ko. *chinhŭnghoe*; Ja. *shinkōkai*), within which were frequently organized multiple other sub-organizations (often named *kye* or *chohap*) to encourage saving money for taxes, mutual insurance against the cost of wedding and funerals, and jointly purchasing fertilizers. Despite the obvious influence of colonial policies in some of the objectives of the groups, the form and practices within each also drew heavily from the prior social networks existing within the villages.¹⁰⁰

The colonial government also drew upon local knowledge in the collection of taxes, especially the alcohol tax. After the imposition of the alcohol tax, home-brewing was limited by permit and eventually outlawed in favor of commercial manufacturers who proved an easier target of the tax policy. Nonetheless, illegal home-brewing often occurred, leading local government officials and alcohol manufacturers to adopt impromptu methods to catch illegal brewers. In examples noted by Itagaki Ryūta, officials relied upon rumors and information concerning the date of family *chesa* ceremonies to honor dead ancestors as a guide to launch inspections for illegal home-brewing.¹⁰¹ Here, the colonial state continued to rely upon brokers for information and enforcement of taxes, although where the Chosŏn government granted the benefits of brokerage to social elites, the colonial tax system favored the interests of corporations and commercial brewers. As the conduit of taxation, commercial brewers not only received the

¹⁰⁰ For an example of the multiple village organizations mobilized under colonial projects, see Zenra nandō nōkai, *Men no mura* (Kōshū: 1931). See also Chi Sugōl, "Ilcheha Ch'ungham Sōsan-gun ūi 'kwallyo-yuji chibae ch'eje."

¹⁰¹ Itagaki Ryūta, *Chōsen kindai no rekishi minzokushi: Keihō Sanju [Kyōngbuk Sangju] no shokuminchi keiken* (Tokyo: Akashi shoten, 2008), 369-373.

sanction of the colonial state, but were could appeal to the colonial tax system to challenge competition among home-brewers.

Conclusion

By 1945, the Korean fiscal state looked quite different from its late-Chosŏn predecessor. Nonetheless, a focus on just the outward differences of each period provides only a superficial understanding of the changes to the fiscal system. In enacting reforms, each regime confronted the common challenges of information and negotiation. Examining the methods that each regime adopted in order to overcome these hurdles presents a fuller picture of the processes of change from one regime to the next. Although the full extent of colonial tax collection practices is far from clear in the existing research, accounts that overlook the role of local politics and social customs in the implementation of colonial policy can only provide a partial understanding of the colonial state.

This paper has therefore looked for both the continuities and the differences that characterized the fiscal system in three periods of government and financial reform. Removed from the discourse of modernity and modern origins, the various reforms to Korean state finances from the 1860s onwards share more than might be expected. Innovations such as the land survey were not a panacea with regard to taxation, and in each period the government remained reliant upon loans and grants to balance increased spending with revenues. Despite increasing moves toward the centralization of national accounts, interaction between central and local government offices remained a key site of information, conflict, and negotiation as each regime sought to maximize its revenues. What is more, in pursuit of information, each

government relied upon a different set of actors in gathering detailed information and enforcing taxation practices. For all the bureaucratic rationality of the colonial system, where tax priorities favored some over others the government recreated a version of the local politics surrounding tax collection, partnering with new corporate interests over social elites who previously took on similar roles.

As an initial attempt at reperiodization, this paper is but a first step. The early half of the nineteenth century is still poorly represented within accounts of modern Korea, but incorporating a broader discussion of the nineteenth century into accounts of modern change can provide many fresh insights into modern Korean history. As a time of ecological, economic, and political upheaval, the full history of the nineteenth century has much to bear on later reforms, not least where reforms attempted to solve the same series of problems stemming from nineteenth-century developments. Even though it may be possible to characterize various attributes of the fiscal regimes discussed here as “modern” or “premodern,” in looking beyond these labels to highlight the functioning of the system, the range of actors that spanned central and local government, and the formal and informal mechanisms of taxation, this paper presents the potential of the project of reperiodization to stimulate deeper engagement with the nineteenth century and the production of alternative narratives that do not rely upon constructions of modernity. Modernity will no doubt continue to be an important topic within Korean history, and an interest in reperiodization need not preclude a concern for the changing dynamics of Korean society. Rather, the limits of modernity must also be considered as historians seek to open new discussions that look beyond the boundaries of modern history.